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MARKET NEWS SERVICE on Cotton

U.S. DEPT. OF AGRICULTURE
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U.S. DEPARTMENT OF AGRICULTURE
AGRICULTURAL MARKETING SERVICE
MARKETING BULLETIN NO. 41

The MARKET NEWS SERVICE on Cotton

WHAT IS COTTON MARKET NEWS ?

Cotton market news—a service of the U.S. Department of Agriculture—consists of daily, weekly, monthly, and annual reports on prices, quality, and market conditions for cotton, cottonseed, and cottonseed products. The Cotton Division of USDA's Agricultural Marketing Service provides this up-to-the-minute information to cotton producers, buyers, sellers, and others in the cotton industry to help them make intelligent marketing decisions.

HOW IS THE INFORMATION GATHERED ?

Cotton Division field representatives, classing office supervisors, and market news reporters in regional offices gather cotton market news —serving as the "eyes and ears" of the cotton industry. They collect information mostly through personal interviews with farmers, ginners, buyers, merchants, and cotton exchange representatives. During the harvest season, they visit cotton gins, warehouses, compresses, and virtually every other point in their territories where cotton is assembled, stored, or marketed.

They also obtain market news for cottonseed and cottonseed products from cotton gins, cottonseed oil mills, brokers, merchants, and processors.

They gather price and market information by telephone and through mailed questionnaires from both buyers and sellers. Altogether,

Cotton Division personnel conduct more than 100,000 interviews annually to gather market information.

HOW IS COTTON MARKET NEWS DISSEMINATED ?

Daily and weekly cotton market news is disseminated through local newspapers, radio and television stations, wire services, and by reports mailed from regional and national market news offices. In addition, daily summaries of market news are available by telephone recorder services installed in some offices. Daily and weekly market information, outlining current market conditions and prevailing prices, is made available across the nation through USDA's leased wire network.

WHAT REPORTS ARE ISSUED ?

■Reports Issued by Local Classing and Market News Offices

Daily and weekly summaries of prevailing prices and a discussion of price-making factors are provided during the marketing season to newspapers, radio, and television stations by local classing and market news offices in:

ALABAMA

Birmingham (205) 595-1102
Montgomery (205) 832-7365

ARIZONA

Phoenix (602) 261-3414

ARKANSAS

Blytheville (501) 763-6792
Little Rock (501) 374-1626

CALIFORNIA

Bakersfield (805) 861-4231
El Centro (714) 352-3153
Fresno (209) 487-5342

GEORGIA

Macon (912) 474-2831

LOUISIANA

Alexandria (318) 445-6511, ext. 6619
Winnsboro (318) 435-4050

MISSISSIPPI

Greenwood (601) 453-7482
Jackson (601) 948-5270

MISSOURI

Hayti (314) 359-1920

NEW MEXICO

Carlsbad (505) 885-6538

NORTH CAROLINA

Raleigh (919) 755-4280

OKLAHOMA

Altus (405) 482-4232

SOUTH CAROLINA

Columbia (803) 765-5318

TENNESSEE

Memphis (901) 521-2944

TEXAS

Abilene (915) 677-7066
Austin (512) 459-7533
Corpus Christi (512) 888-3152
Dallas (214) 749-3602
El Paso (915) 543-7408
Galveston (713) 763-1211, ext. 688
Harlingen (512) 423-2856
Lubbock (806) 762-7621

Automatic telephone answering devices offer "instant" market news reports during the active marketing season at several locations. These devices provide tape-recorded reports which are updated daily and are available around the clock. At present six offices provide this service, with other offices planning to add the service. Check your local classing and market news office for information. For the latest market news, dial these numbers **(not toll free):**

Blytheville, Ark. (501) 763-3039
Fresno, Calif. (209) 486-5011
Greenwood, Miss. (601) 455-2403
Harlingen, Tex. (512) 425-1061
Lubbock, Tex. (806) 763-7870
Phoenix, Ariz. (602) 253-4793

Reports Issued by Regional Offices

The Southern Regional Office in Memphis, Tenn., publishes reports covering cotton producing areas in the Southeastern and South Central States. The Western Regional Office in El Paso, Tex., reports on the Southwestern and Western States.

WEEKLY COTTON MARKET REVIEW—a weekly summary of market conditions, factors affecting supply and demand, and trading activity in each of the major production areas. Spot cotton prices are listed in tabular form.

WEEKLY COTTONSEED REVIEW—a weekly review providing information on the movement of cottonseed, prices paid for seed by ginners and oil mills, and prices received by oil mills for cottonseed products. The report also lists in tabular form prices paid farmers for cottonseed and the range of grades and average grades of cottonseed—on a county, classing office territory, and State basis.

WEEKLY REPORT ON QUALITY OF COTTON CLASSED—a report issued each Monday during the harvest season containing percentage distributions of the quality of cotton classed for farmers at each cotton classing office during the preceding week, and cumulative figures for the season. Information is presented on grade, staple, fiber fineness, and strength.

Reports Issued by the National Office in Memphis

DAILY SPOT COTTON QUOTATIONS—a report issued each trading day throughout the year, which includes price quotations in each of the designated spot cotton markets. The daily volume of spot cotton purchases as reported by the cotton exchange in each designated market is carried in the report. Daily closing prices for New York futures contracts are included.

WEEKLY COTTON MARKET REVIEW—covers developments and activity in the cotton market and presents a synopsis of market conditions for the entire cotton belt.

COTTON FIBER AND PROCESSING TEST RESULTS—a series of reports prepared and published approximately every two weeks during the harvest season, reporting fiber properties and spinning performance of cotton from all major commercial production areas in the United States. Results of fiber and spinning tests are summarized in a compre-

hensive report at the end of the harvesting season.

MONTHLY COTTON LINTERS REVIEW—the only publication, public or private, which regularly reports on economic conditions prevailing in the market for cotton linters.

MONTHLY LONG STAPLE COTTON REVIEW—condenses market conditions for long staple upland cotton and extra long staple American Pima cotton. Contains current statistics in tabular form.

COTTON QUALITY REPORT FOR GINNINGS, UNITED STATES—a monthly report issued during the harvest season, containing State and national estimates on the quality of cotton ginned—by grade, staple, fiber fineness, and strength.

ESTIMATED GRADE AND STAPLE OF GINNINGS—a tabular report in cross-classification form issued four times during the harvesting season. Supplements Cotton Quality Report for Ginnings, United States.

COTTON PRICE STATISTICS—a monthly report containing a summary of prices compiled and averaged by months, and cumulatively for the season, with comparative price data for preceding periods.

COTTONSEED QUALITY—an annual report containing statistics on the quality of cottonseed delivered to oil mills during the crop year with comparative data for the preceding year.

COTTON VARIETIES PLANTED—an annual report showing the cotton acreage planted, by variety, on a county, State, and national basis.

COTTON QUALITY, CROP OF (YEAR)—an annual report presenting quality statistics for the crop, by months, classing office territories, States, and the entire country. Comparative data for preceding crops are included.

COTTON QUALITY, SUPPLY-DISAPPEARANCE-CARRYOVER—an annual report containing estimates of the qualities of cotton in the

current supply and in carryover (end-season stocks).

COTTON GIN EQUIPMENT—annual statistics on gins and gin equipment, listed by State. An expanded report is published every five years showing in greater detail statistics on gin equipment by classing office territories, States, and the United States.

WHERE TO GET MORE INFORMATION

For more information about Cotton Market News national or regional reports and service, please contact the office nearest you.

MEMPHIS

Market News Section
Cotton Division, AMS-USDA
4841 Summer Avenue
Memphis, TN 38122
(901) 521-2934

Southern Regional Office
Cotton Division, AMS-USDA
4841 Summer Avenue
Memphis, TN 38122
(901) 521-2921

EL PASO

Western Regional Office
Cotton Division, AMS-USDA
1515 Airway Boulevard
Room 5
El Paso, TX 79925
(915) 543-7676

WASHINGTON

Marketing Programs Branch
Cotton Division, AMS-USDA
Washington, DC 20250
(202) 447-2072

GLOSSARY OF TERMS USED IN FEDERAL-STATE MARKET NEWS REPORTS

Although each farm commodity has a language all its own, the need for a standardized terminology for market news became apparent in recent years. With wider dissemination of cross-commodity market news summaries, it became necessary to eliminate the confusion of having a different language for each commodity. The following terms were adopted in June 1975 for use in all USDA and Federal-State market news reports:

MARKET—A term with several meanings:
A geographic location where a commodity is traded.
The price, or price level, at which a commodity is traded.
To sell (verb).

MARKET ACTIVITY—The pace at which sales are being made.

active—Available supplies (offerings) are readily clearing the market.

moderate—Available supplies (offerings) are clearing the market at a reasonable rate.

slow—Available supplies (offerings) are not readily clearing the market.

inactive—Sales are intermittent with few buyers or sellers.

PRICE TREND—The direction in which prices are moving in relation to trading in the previous reporting period(s).

higher—The majority of sales are at prices measurably higher than the previous trading session.

firm—Prices are tending higher, but not measurably so.

steady—Prices are unchanged from previous trading session.

weak—Prices are tending lower, but not measurably so.

lower—Prices for most sales are measurably lower than the previous trading session.

SUPPLY/OFFERING—The quantity of a particular item available for current trading.

heavy—When the volume of supplies is above average for the market being reported.

moderate—When the volume of supplies is average for the market being reported.
light—When the volume of the supplies is below average for the market being reported.

DEMAND—The desire to possess a commodity coupled with the willingness and ability to pay.
very good—Offerings or supplies are rapidly absorbed.
good—Firm confidence on the part of buyers that general market conditions are good. Trading is more active than normal.
moderate—Average buyer interest and trading.
light—Demand is below average.
very light—Few buyers are interested in trading.
MOSTLY—The majority of sales or volume.
UNDERTONE—Situation or sense of direction in an unsettled market situation.

GLOSSARY OF COTTON TRADING TERMS

CENTRAL MARKET—Market where a substantial volume of spot cotton is traded.
CLASSING—The determination of the grade, staple length, and micronaire reading of the cotton in sample.
COTTON LINTERS—The short fuzzy fibers which cover the cottonseed after the cotton has been ginned.
FIBER STRENGTH—An indication of the ability of cotton fibers to withstand force or tension, an important factor in spinning.
FUTURES PRICE—Price at which cotton futures contracts are transacted—established at an organized futures exchange.
LANDED PRICE—Price for actual bales of cotton delivered, with all charges paid, to a specified location such as a textile mill or ship.
LOCAL MARKET—Small country market (e.g., cotton gin points) at which farmers sell cotton.
MICRONAIRE—A reading provided by an airflow instrument indicating fiber fineness and maturity; an important guideline to the spinning performance of cotton.
SPOT COTTON—Actual bale(s) of cotton.
SPOT COTTON MARKET—A place where sales of actual cotton take place.

SPOT PRICE—A price at which actual bales of cotton are traded.

SPOT SALE—Any transaction involving a transfer of ownership of actual bales of cotton.

STAPLE LENGTH—The length, by measurement, of a typical portion of cotton fibers selected at random from a sample.

HOW TO OBTAIN REPORTS

Check the ones you wish to receive:

COTTON MARKET REVIEW (weekly)

- ☐ **National Report**
- ☐ **Southern Region**—Ala., Ark., Ga., La., Miss., Mo., N.C., S.C., & Tenn.
- ☐ **Western Region**—Ariz., Calif., N. Mex., Okla., & Tex.

☐ **QUALITY OF GINNINGS, STATE AND NATIONAL STATISTICS** (monthly during harvest)

QUALITY OF COTTON CLASSED (weekly during harvest)

- ☐ **Southeastern States** (Ala., Ga., N.C., S.C.)
- ☐ **South Central States** (Ark., La., Miss., Mo., Tenn.)
- ☐ **Southwestern States** (Okla., Tex.)
- ☐ **Western States** (Ariz., Calif., N. Mex.)
- ☐ **American Pima** (Ariz., N. Mex., Tex.)

Other Reports (list):

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☐ Check here if you want a sample copy only of reports checked above.

Print your name and address below:

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(name)

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(street address)

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(city, state, and zip code)

TEAR OFF THIS PAGE AND MAIL TO:
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Cotton Division, AMS, USDA
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U.S. DEPARTMENT OF AGRICULTURE
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WASHINGTON, D.C. 20250
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